

Financial Statements Kingdom Park Limited

For the period ended 31 December 2014



Registered number: SC224807

Kingdom Park Limited

Company Information

Directors	Sir D E Murray J R Davies M S McGill (resigned 28 February 2014)
Registered number	SC224807
Registered office	26 Charlotte Square Edinburgh Midlothian EH2 4ET
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 95 Bothwell Street Glasgow G2 7JZ

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Directors' Report

For the period ended 31 December 2014

The directors present their report and the financial statements for the period ended 31 December 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activity of the Company is development of land.

Directors

The directors who served during the period were:

Sir D E Murray
J R Davies
M S McGill (resigned 28 February 2014)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Kingdom Park Limited

Directors' Report

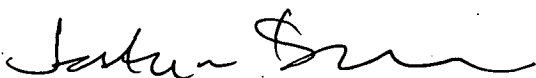
For the period ended 31 December 2014

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **28 September 2015** and signed on its behalf.



J R Davies
Director

Independent Auditor's Report to the Members of Kingdom Park Limited

We have audited the financial statements of Kingdom Park Limited for the period ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Kingdom Park Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Grant Thornton UK LLP

Lorraine Macphail (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Glasgow

Date: *30 September 2015*

Profit and Loss Account

For the period ended 31 December 2014

	Note	18 Months ended 31 December 2014 £	Year ended 30 June 2013 £
Turnover	1	-	3,551
Administrative expenses		(204,616)	-
Operating (loss)/profit	2	(204,616)	3,551
Exceptional items			
Impairment of fixed assets	5	-	(3,246,083)
Loss on ordinary activities before interest		(204,616)	(3,242,532)
Interest payable and similar charges	4	(953,807)	-
Loss on ordinary activities before taxation		(1,158,423)	(3,242,532)
Tax on loss on ordinary activities	6	-	-
Loss for the financial period	13	(1,158,423)	(3,242,532)

The notes on pages 7 to 12 form part of these financial statements.

Balance Sheet

As at 31 December 2014

	Note	31 December 2014		30 June 2013
		£	£	£
Fixed assets				
Tangible assets	7	-		4,500,000
Current assets				
Stocks	8	4,609,944	-	
Debtors	9	8,129	15,521	
Cash at bank		316	6,380	
		<u>4,618,389</u>	<u>21,901</u>	
Creditors: amounts falling due within one year	10	<u>(38,038)</u>	<u>(9,393,121)</u>	
Net current assets/(liabilities)		<u>4,580,351</u>		<u>(9,371,220)</u>
Total assets less current liabilities		<u>4,580,351</u>		<u>(4,871,220)</u>
Creditors: amounts falling due after more than one year	11	<u>(10,609,994)</u>		<u>-</u>
Net liabilities		<u>(6,029,643)</u>		<u>(4,871,220)</u>
Capital and reserves				
Called up share capital	12	1		1
Profit and loss account	13	<u>(6,029,644)</u>		<u>(4,871,221)</u>
Shareholders' deficit	14	<u>(6,029,643)</u>		<u>(4,871,220)</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
28 September 2015.



J R Davies
Director

The notes on pages 7 to 12 form part of these financial statements.

Notes to the Financial Statements

For the period ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The balance sheet at 31 December 2014 shows that the Company is in a net liability position. The Company is dependent on the continuing financial support provided by Murray Capital Limited. The directors have placed reliance on the letter of support obtained from Murray Capital Limited.

The directors have reviewed the trading prospects and projected cash flows of the Company and have agreed funding from its intermediate parent company, Murray Capital Limited. On that basis the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors have determined that it is appropriate to continue to adopt the going concern basis of accounting in the preparation of these financial statements.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Notes to the Financial Statements

For the period ended 31 December 2014

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

Development properties are those sites and properties in respect of which construction and development have not been completed at the balance sheet date or where properties are acquired for redevelopment. Development properties are held at cost, including an allocation of overheads and interest charges on external borrowings which are related to the properties, where recoverability is reasonably certain. In the opinion of the directors, the residual value of those development properties currently being operated for business purposes is sufficient to eliminate the requirement for depreciation. Provisions are made against the carrying value of development properties when the directors consider book value to exceed recoverable value. The directors consider that these policies are necessary to provide a true and fair view.

Development properties are classified within tangible fixed assets or stocks according to the specific disposal or realisation strategy for each property with all properties held for both development and resale treated as stock.

1.6 Stocks

Development properties held for development and resale are valued at the lower of cost and net realisable value. Land held for development, including land in the course of development until legal completion of sale, is valued at cost. Work in progress on development properties is valued at the cost of labour and materials plus capitalised legal and professional fees.

1.7 Exceptional items

Exceptional items are those that in management's judgement need to be disclosed by virtue of their size or incidence. These items are included within the Profit and Loss caption to which they relate and are separately disclosed in the notes to the accounts, or on the face of the Profit and Loss account.

2. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	18 Months ended 31 December 2014 £	Year ended 30 June 2013 £
Development fees	57,502	-

3. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration (2013 - £NIL).

Notes to the Financial Statements

For the period ended 31 December 2014

4. Interest payable

	18 Months ended 31 December 2014 £	Year ended 30 June 2013 £
On other loans	953,807	-

5. Exceptional items

	18 Months ended 31 December 2014 £	Year ended 30 June 2013 £
Impairment of fixed assets	-	3,246,083

Notes to the Financial Statements

For the period ended 31 December 2014

6. Taxation**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is the same as (2013 - the same as) the standard rate of corporation tax in the UK of 22% (2013 - 23.75%) as set out below:

	18 Months ended 31 December 2014 £	Year ended 30 June 2013 £
Loss on ordinary activities before tax	(1,158,423)	(3,242,532)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 - 23.75%)	(254,832)	(770,101)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	770,945
Unrelieved tax losses carried forward	254,832	(844)
Current tax charge for the period/year (see note above)	-	-

Factors that may affect future tax charges

The UK Corporation tax rate of 21% took effect from 1 April 2014.

Further changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These include changes to reduce the main rate of corporation tax to 20% from 1 April 2015. As these changes have been substantively enacted at the balance sheet date their effects have been included in these financial statements.

7. Tangible fixed assets

	Development property £
Cost	
At 1 July 2013	4,500,000
Reclassification to stock	(4,500,000)
At 31 December 2014	-
Depreciation	
At 1 July 2013 and 31 December 2014	-
Net book value	
At 31 December 2014	-
At 30 June 2013	4,500,000

Notes to the Financial Statements

For the period ended 31 December 2014

8. Stocks

	31 December 2014	30 June 2013
	£	£
Development land	4,609,944	-

9. Debtors

	31 December 2014	30 June 2013
	£	£
Other debtors	8,129	15,521

10. Creditors:

Amounts falling due within one year

	31 December 2014	30 June 2013
	£	£
Trade creditors	38,038	47,753
Amounts owed to group undertakings	-	9,085,368
Other creditors	-	260,000
	38,038	9,393,121

11. Creditors:

Amounts falling due after more than one year

	31 December 2014	30 June 2013
	£	£
Other loans	10,609,994	-

12. Share capital

	31 December 2014	30 June 2013
	£	£
Allotted, called up and fully paid		
1 ordinary share share of £1	1	1

Notes to the Financial Statements

For the period ended 31 December 2014

13. Reserves

	Profit and loss account £
At 1 July 2013	(4,871,221)
Loss for the financial period	(1,158,423)
	<hr/>
At 31 December 2014	<u>(6,029,644)</u>

14. Reconciliation of movement in shareholders' deficit

	31 December 2014 £	30 June 2013 £
Opening shareholders' deficit	(4,871,220)	(1,628,689)
Loss for the financial period/year	(1,158,423)	(3,242,532)
Shares issued during the period/year	-	1
	<hr/>	<hr/>
Closing shareholders' deficit	<u>(6,029,643)</u>	<u>(4,871,220)</u>

15. Related party transactions

In accordance with the exemptions provided under Financial Reporting Standard 8 for companies whose voting rights are 100% owned within a group, the company has not disclosed transactions with other wholly owned subsidiary undertakings of the ultimate holdings company (Note 16).

16. Ultimate parent undertaking and controlling party

The immediate parent company is Murray Estates Limited and the ultimate holding company is Murray Capital Group Limited, both of which are registered in Scotland. The largest group in which the results of the Company are consolidated is that headed by the ultimate holding company whose principal place of business is at 26 Charlotte Square, Edinburgh, EH2 4ET. Copies of Murray Capital Group Limited's financial statements are available from the above address.